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Utilities Commission

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ORDER NUMBER
G-203-25

IN THE MATTER OF
the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

Creative Energy Vancouver Platforms Inc.
2024 Long-Term Resource Plan

BEFORE:

M. Jaccard, Panel Chair
A.C. Dennier, Commissioner
B. A. Magnan, Commissioner

on August 19, 2025

ORDER

WHEREAS:

A. On November 25, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed with the British Columbia Utilities Commission (BCUC) an application (Application) seeking acceptance of its 2024 Long-Term Resource Plan (LTRP) for the Core Thermal Energy System (Core TES) pursuant to sections 44.1(2) and 44.1(6) of the *Utilities Commission Act* (UCA);

B. Creative Energy further seeks an order that Creative Energy file its next LTRP on or before the earlier of (i) 36 months from the acceptance of the 2024 LTRP, and (ii) 24 months after Creative Energy's Core Steam System Decarbonization Project is in service;

C. By Orders G-2-25, G-93-25 and G-121-25, the BCUC established and amended a regulatory timetable for review of the Application, which included public notice, intervener registration, BCUC and intervener information requests (IRs), Creative Energy responses to IRs, and final and reply arguments;

D. The Residential Consumer Intervener Association, Commercial Energy Consumers Association of British Columbia, BC Sustainable Energy Association, and British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizen's Organizations of BC, Tenants Resource and Advisory Centre registered as interveners in this proceeding; and

E. The BCUC has reviewed the evidence and arguments filed in this proceeding, and makes the following determinations.

NOW THEREFORE for the reasons outlined in the decision accompanying this order, the BCUC orders as follows:

1. Pursuant to section 44.1(6) of the UCA, Creative Energy's 2024 LTRP is accepted.

2. Pursuant to section 44.1(2) of the UCA, Creative Energy must file its next LTRP on or before the date that is the earlier of (i) 36 months from the date of this order, and (ii) 24 months after Creative Energy's Core Steam System Decarbonization Project is in service.

3. Creative Energy must comply with all other directives outlined in the decision issued concurrently with this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of August 2025.

BY ORDER

Electronically signed by Mark Jaccard

M. Jaccard
Commissioner

Table of Contents

Page no.

Executive Summary

On November 25, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed its 2024 Long Term Resource Plan (LTRP) Application (Application) for acceptance by the British Columbia Utilities Commission (BCUC). This Application follows the BCUC's rejection of Creative Energy's 2021 LTRP, in which the BCUC provided specific directives for the improvement of Creative Energy's long-term resource planning approach.[1]

The 2024 LTRP presents a 25-year demand forecast and identifies a plausible resource portfolio to meet the demand forecast, including low carbon demand, until 2040. Creative Energy expects its total demand to decline between 5 to 12 percent by 2040, while its low carbon energy demand is anticipated to grow to represent about 40 percent of the demand by 2040. Creative Energy deems demand-side measure programs (DSM) not appropriate at this time given the forecast decline in demand and the required investments in the decarbonization of its energy supply.

Creative Energy's resource portfolio consists of its existing gas boilers, the completion of projects already approved by the BCUC (the Redevelopment Project[2] and Decarbonization Project[3]), and future electric boilers. Renewable natural gas will be used as a bridging supply to address potential needs of low carbon supply. In addition, Creative Energy identified a long-term resource pathway consisting of the gradual transition of its existing steam distribution system to a low temperature hot water system. Creative Energy states this transition would enable the use of a wider range of low carbon energy resources and higher overall system efficiency, with an estimated cost of $422 million for full conversion.

The Panel has reviewed Creative Energy's 2024 LTRP against the requirements and considerations set out in section 44.1 of the UCA, and the directives in the 2021 LTRP. The Panel finds the 2024 LTRP to be in the public interest and therefore accepts it. We find the load forecast to be reasonable for the purposes of this LTRP, and the identified resource portfolio to be sufficient to meet that demand by 2040. We also find that the implementation of DSM is currently not in the public interest. Furthermore, we recommend that Creative Energy not further pursue the hot water conversion at this time, on the basis that Creative Energy has identified other feasible resources to meet its expected demand, and the potentially significant rate impact of such conversion for customers.

The Panel directs Creative Energy to provide the following information in the next LTRP:

1. The demand forecast, in addition to the baseline demand scenario, must include at least two demand scenarios that cover a wider range of possible demand outcomes that would inform how Creative Energy would adapt to a large reduction or a large increase in demand; and
2. The portfolio(s) of resources designed to meet the demand scenarios identified in the LTRP.

Creative Energy must file its next LTRP on or before the earlier of (i) 36 months from the date of the order which this decision accompanies, and (ii) 24 months after Creative Energy's Core Steam System Decarbonization Project is in service.

[1] BCUC Decision and Order G-283-21 dated September 27, 2021.
[2] BCUC Order C-1-20; Creative Energy Expo-Beatty Plants Redevelopment Project Order C-1-20 Compliance Filing, Decision and Order G-360-22 dated December 13, 2022.
[3] BCUC Order C-5-22 dated September 15, 2022.

1.0 Introduction

1.1 Background

On November 25, 2024, Creative Energy Vancouver Platforms Inc. (Creative Energy) filed its 2024 Long Term Resource Plan (LTRP) Application (Application), pursuant to section 44.1(2) of the *Utilities Commission Act* (UCA).

This Application follows the BCUC's rejection of Creative Energy's 2021 LTRP, in which the BCUC provided specific directives for the improvement of Creative Energy's long-term resource planning approach.[4]

Creative Energy owns and operates several thermal energy systems in and around downtown Vancouver. The Application focusses on Creative Energy's primary system, the Core Thermal Energy System (Core TES), which consists of the steam production plant and three interconnected networks: the steam distribution network (the Core Steam Distribution Network); the Northeast False Creek hot water distribution network, which supplies another four customers and is fed by thermal energy generated at the Beatty Plant;[5] and the Butterfly System, a hot water distribution network connected to the Core TES in August 2024.[6]

1.2 Approvals Sought

Creative Energy is seeking the following orders: [7]

1) Acceptance of its 2024 LTRP under section 44.1(6) of the UCA as being in the public interest; and
2) The filing of its next LTRP on or before the earlier of (i) 36 months from the acceptance of the 2024 LTRP, and (ii) 24 months after the Core Steam System Decarbonization Project is in service.

Creative Energy states it does not seek approval, either explicitly or implicitly, for changes to its rate structure, remote metering or conversion to hot water distribution.[8]

1.3 Legislative Framework

Section 44.1 of the UCA establishes the BCUC's framework for review of Creative Energy's 2024 LTRP. Section 44.1(2) of the UCA provides the components that must be included in an LTRP, as follows:

(a) an estimate of the demand for energy the public utility would expect to serve if the public utility does not take new demand-side measures during the period addressed by the plan;

(b) a plan of how the public utility intends to reduce the demand referred to in paragraph (a) by taking cost-effective demand-side measures;

(c) an estimate of the demand for energy that the public utility expects to serve after it has taken cost-effective demand-side measures;

(d) a description of the facilities that the public utility intends to construct or extend in order to serve the estimated demand referred to in paragraph (c);

[4] BCUC Decision and Order G-283-21 dated September 27, 2021.
[5] Exhibit B-1, p. 1.
[6] Exhibit B-3, BCUC IR 2.2; Creative Energy 2025 Core Steam Revenue Requirements Application (2025 RRA Application), Exhibit B-1, p. 36.
[7] Creative Energy Final Argument, p. 4.
[8] Exhibit B-5, BCOAPO IR 1.1.

(e) information regarding the energy purchases from other persons that the public utility intends to make in order to serve the estimated demand referred to in paragraph (c);

(f) an explanation of why the demand for energy to be served by the facilities referred to in paragraph (d) and the purchases referred to in paragraph (e) are not planned to be replaced by demand-side measures; and

(g) any other information required by the commission.

Sections 44.1(6) and (7) of the UCA require that after reviewing a long-term resource plan, the BCUC must accept the plan, if the BCUC determines that carrying out the plan would be in the public interest, or reject the plan (in whole or in part). In determining whether the 2024 LTRP is in the public interest, the BCUC must consider whether the following criteria under section 44.1(8) of the UCA support its acceptance:

(a) The applicable of British Columbia's energy objectives;

(b) The extent to which the plan is consistent with the applicable requirements under sections 6 and 19 of the *Clean Energy Act* (CEA);

(c) Whether the plan shows that the public utility intends to pursue adequate, cost-effective demand-side measures; and

(d) The interests of persons in British Columbia who receive or may receive service from the public utility.

Sections 6 and 19 of the CEA apply to electric utilities and are, therefore, not applicable to the review of the 2024 LTRP.

The meaning of "adequate, cost-effective demand-side measures" in section 44.1(8)(c) is prescribed further by the *Demand Side Measures* (DSM) *Regulation*.[9] Pursuant to section 2(2)(b) of the *DSM Regulation*, the adequacy requirements in section 3 of the *DSM Regulation* do not apply to a public utility that has fewer than 10,000 customers, and are therefore not applicable to Creative Energy.

The BCUC Resource Planning Guidelines (Guidelines) provide general guidance regarding expectations of the process and methods for utilities to follow in developing resource plans that reflect their specific circumstances, noting that the BCUC will review resource plans in the context of the unique circumstances of the utility in question.[10] The Guidelines were updated after the closure of the evidentiary record.[11] The Panel has considered both the 2003 and 2025 versions of the Guidelines in its review of the 2024 LTRP, while acknowledging that Creative Energy prepared the Application prior to the issuance of the 2025 Guidelines.

1.4 Regulatory Process

The BCUC established regulatory timetables[12] for the review of the 2024 LTRP, which included public notice of the Application, one round of information requests (IRs), written final arguments from Creative Energy and interveners, and reply argument from Creative Energy.

The following parties registered as interveners:

- Residential Consumer Intervener Association (RCIA),
- Commercial Energy Consumers Association of British Columbia (the CEC),

[9] B.C. Reg. 326/2008, last amended by B.C. Reg. 167/2023.
[10] BCUC Resource Planning Guidelines, December 2003, p. 2.
[11] Order G-140-25 dated June 10, 2025.
[12] Orders G-2-25; G-93-23; G-121-25.

- BC Sustainable Energy Association (BCSEA); and
- British Columbia Old Age Pensioners' Organization, Active Support Against Poverty, Disability Alliance BC, Council of Senior Citizen's Organizations of BC, Tenants Resource and Advisory Centre (BCOAPO).

All interveners filed final arguments.

The BC Pavilion Corporation filed a letter of comment.

1.5 Decision Outline

The remainder of the Decision is structured as follows:

- Section 2 presents the planning context and Creative Energy's objectives for the 2024 LTRP;
- Section 3 outlines the main components of the 2024 LTRP, including the filing requirements under section 44.1(2) of the UCA;
- Section 4 includes the Panel's consideration of each of the criteria outlined in section 44.1(8) of the UCA;
- Section 5 provides the Panel's overall determination on whether to accept the 2024 LTRP; and
- Section 6 provides the Panel's determination of the timing of Creative Energy's next LTRP.

2.0 Planning Context and Objectives of Creative Energy's 2024 LTRP

In this section, the Panel summarizes background information relevant to Creative Energy's development of the 2024 LTRP. This information provides overarching context for the Panel's findings and determinations in the remaining sections of the decision.

2.1 Planning Context

2.1.1 Creative Energy's Existing System

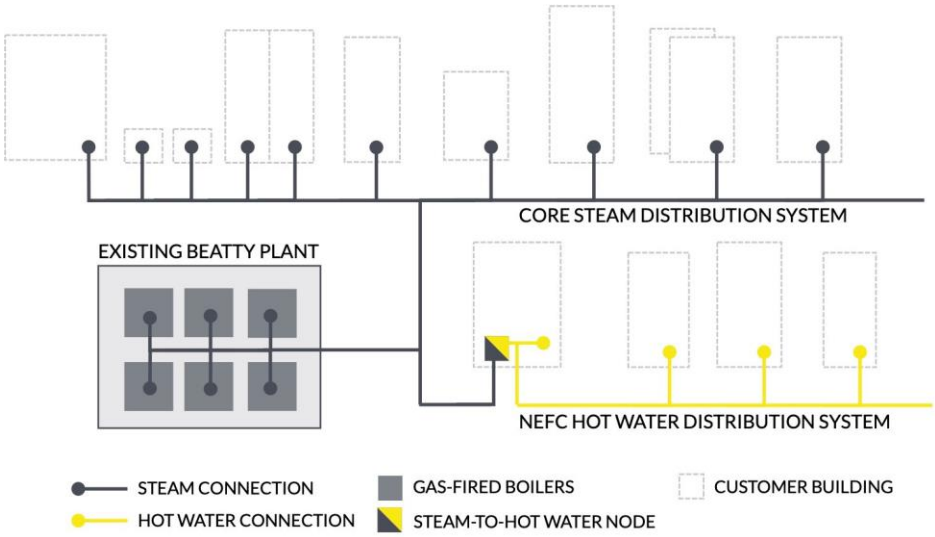
Creative Energy's Core TES consists of three interconnected networks:

- The steam production plant located at 720 Beatty Street (the Beatty Plant) and its associated steam distribution network, which currently serves 208 customers in downtown Vancouver (the Core Steam Distribution Network); [13]
- The Northeast False Creek (NEFC) hot water network, which supplies another four customers and is fed by thermal energy generated at the Beatty Plant; [14] and
- The Butterfly TES, a hot water network which was connected to the Core TES in August 2024.[15]

Collectively, these integrated networks comprise the Core TES. Figure 1, below, depicts the first two networks.[16]

[13] Exhibit B-1, p. 1.
[14] Ibid.
[15] Exhibit B-3, BCUC IR 2.2; Creative Energy 2025 Core Steam Revenue Requirements Application (2025 RRA Application), Exhibit B-1, p. 36.
[16] Exhibit B-1, p. 1.

Figure 1: Core Thermal Energy System[17]



Creative Energy has six natural gas-fired boilers in service at the Beatty Plant with a combined functional capacity of 185.9 megawatts thermal (MWt). Four of these boilers are operating beyond the end of their design life with all six now downrated below their design capacity.[18]

Creative Energy has obtained two Certificates of Public Convenience and Necessity (CPCNs), for the Redevelopment Project[19] and the Decarbonization Project,[20] to increase the utility's installed capacity, generate low carbon energy with electric boilers, and update Creative Energy's thermal equipment and installations. The Redevelopment Project will modernize Creative Energy's main production facility, while the Decarbonization Project will provide low carbon thermal energy to new and existing customers. The timelines for the construction of these projects are uncertain at this time.[21]

2.1.2 External Factors and Policy Context

Creative Energy identified several external factors that affect the 2024 LTRP planning context including: climate change policies at the provincial and local level, changes in the heating options available to its customers, the incentives and policies enabling the energy transition, and the role of renewable natural gas (RNG). Some of these factors are further described below.

Creative Energy acknowledges that policy uncertainty affects not only the planning of the load forecast but also the 2024 LTRP objectives.[22] The policy landscape has evolved since Creative Energy's 2021 LTRP, and the utility faces increasingly stringent greenhouse gas (GHG) regulations and energy efficiency standards implemented across all levels of government. However, the policy landscape is uncertain and there have been instances of policy relaxation and reversals.[23] The more stringent policies imply that the rising cost of carbon will directly

[17] Exhibit B-1, p. 2.
[18] Ibid., p. 10.
[19] Decision and Final Order No. C-1-20 dated March 5, 2020.
[20] Order No. C-5-22 dated September 15, 2022.
[21] Exhibit B-1, p. 11.
[22] Ibid., p. 42.
[23] Ibid., p. 35.

impact the cost of thermal energy derived from natural gas, potentially making it less competitive compared to lower carbon alternatives.[24]

The City of Vancouver aims to achieve zero emissions in new buildings by 2030.[25] Additionally, on July 20, 2022, the City of Vancouver enacted the Annual Greenhouse Gas and Energy Limits By-law No. 13472 (City of Vancouver By-Law) that establishes stringent GHG emission limits and heat energy limits for existing buildings, with implementation set to begin in 2026. The City of Vancouver By-Law directly impacts the operations of large buildings, and by extension the utilities that serve them, such as Creative Energy.[26]

The initial phase of the City of Vancouver By-Law primarily targets large commercial and retail buildings, as well as multi-unit buildings where more than 50 percent of the floor area is dedicated to commercial or retail use.[27] Creative Energy estimates that the City of Vancouver By-Law will require at least 50 percent of its customer base to have a GHG emission limit of zero by 2040. The by-law imposes a fee of $350 per tonne for carbon emissions that exceed the prescribed limit.[28]

Technological evolution has been impacting building energy systems and allowed especially larger commercial and retail customers to implement more efficient and sustainable heating solutions that tend to reduce reliance on fossil fuels. In contrast, large multifamily residential buildings located in downtown Vancouver have fewer options in this regard.[29]

The province of BC, including through BC Hydro's Integrated Resource Plan, seeks to meet growing electricity demand with low carbon generating sources, which Creative Energy notes may impact electricity rates in the long term. In addition, the province has set ambitious targets for RNG production and use, and FortisBC Energy's RNG forecast shows an increase in available supply through to 2030. However, Creative Energy notes that RNG is not universally accepted as a long-term low carbon solution as neither the municipal nor provincial policies recognize RNG as a compliance pathway for new buildings.[30]

2.2 Objectives

Creative Energy states that the primary objectives of the 2024 LTRP are the following:[31]

1. To develop a flexible approach to resource acquisition that can adapt to policy uncertainties;
2. To identify and develop the future resources needed to meet evolving customer demands and policy requirements while considering environmental and social impacts;
3. To respond prudently to changing market conditions and customer preferences while maintaining the utility's financial integrity;
4. To ensure the reliability and affordability of its services while transitioning to a low carbon energy future; and
5. To comply with government regulations and stated policies while minimizing risks to ratepayers.

[24] Ibid., p. 37.
[25] Exhibit B-1, p. 38.
[26] Ibid., p. 40.
[27] Ibid.
[28] Ibid.
[29] Ibid., pp. 19-20.
[30] Ibid., p. 21.
[31] Ibid., p. 62.

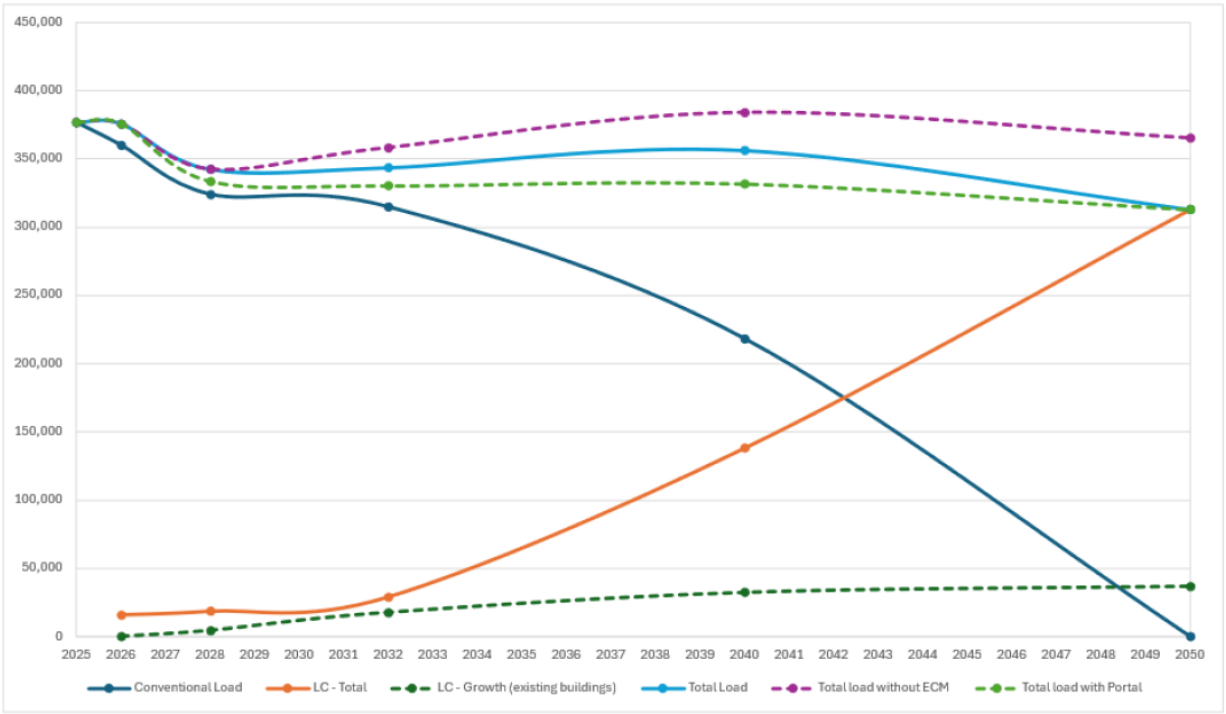
Creative Energy submits that the preparation of the Application has considered the BCUC directives in the 2021 LTRP decision and that, being a small utility, not all requirements of the BCUC's Guidelines may be directly applicable to the 2024 LTRP.[32]

3.0 Has Creative Energy Met the Section 44.1(2) Filing Requirements?

3.1 Demand Forecast

Creative Energy provides one baseline long-term demand forecast scenario (demand scenario) for the Core TES, including the NEFC and Butterfly hot water systems, over a 25 year planning horizon from 2025 to 2050.[33] Creative Energy developed the demand scenario by using historical data and by applying the following three sensitivity scenarios to future projections: potential changes in municipal policy, energy conservation potential, and climate change effects.[34] In Figure 2 below, Creative Energy presents the demand scenario, illustrating the annual energy demand for the years 2025 through 2050 as the Total Load curve; portions of the annual energy demand from low carbon supply (LC-Total) and conventional energy supply (Conventional Load); and the total demand after incorporation of energy conservation measures (Total Load with Portal) and before energy conservation measures (Total Load without ECM).

Figure 2: Long-Term Baseline Demand Forecast Scenario[35]



[32] Ibid., p. 1.
[33] Exhibit B-1, p. 92.
[34] Ibid., p. 92.
[35] Ibid., p. 102, Figure 28.

Creative Energy explains it developed the single baseline demand forecast for the Core TES using a bottom-up, building level forecasting approach,[36] which it submits offers greater precision than other forecasting methods.[37] This forecasting approach considers the thermal energy demand from existing buildings connected to the Core TES and potential demand from existing buildings that are likely to connect to the Core TES for access to low carbon energy through the Decarbonization project.[38] Creative Energy adds that its approach to long-term forecasting is conservative[39] as the demand scenario excludes aggregate load additions of 18 gigawatt hours (GWh) from new building connections.[40]

Creative Energy states it applied three sensitivity scenarios to its single baseline forecast to generate a range of possible outcomes under the demand scenario and identify the most significant drivers of uncertainty in demand forecasting over the planning horizon.[41] The assumptions associated with each sensitivity scenario and their impacts on the baseline forecast are summarized below:

- The energy conservation potential is tested under two sensitivity cases: the case "realized energy conservations measures" is reflected in the "Total Load"[42] demand curve in Figure 2 and is identified to be the more likely case. Creative Energy assumes a gradual increase in customer adoption for realized energy conservation measures with customer adoption rates of 25 percent by 2032, 50 percent by 2040 and 100 percent by 2050.[43] The second sensitivity case, known as "realized energy conservation measures with enhanced customer support" is reflected in the demand curve "Total Load – with Portal" in Figure 2 and considers aggressive customer adoption rates for realized energy conservation measures compared to the likely case.

- The impact of climate change effects is examined under two sensitivity cases: the low carbon and high carbon case.[44] Creative Energy explains that the low carbon case represents a 9 percent reduction in the total thermal energy demand by 2050, compared to an 11 percent reduction in energy demand under the high carbon case. Creative Energy submits that the low carbon sensitivity case is more likely to materialize as key assumptions for the low carbon case are aligned with the current climate policy frameworks at the federal, provincial, and municipal levels.[45] Creative Energy confirms that the "Total Demand" curve incorporates the impact of climate change effects under the low carbon scenario.[46]

- Policy assumptions: Creative Energy applies a combination of assumptions, including regarding municipal by-laws and policies to support the demand scenario. These include the GHG reduction and energy efficiency targets established by policies and the City of Vancouver By-Law.[47]

Further to a BCUC directive from the 2021 LTRP, Creative Energy provides its assumptions for the price elasticity of demand.[48] Creative Energy observes the demand for heating by its existing buildings has been relatively inelastic to price changes and estimates a relatively stable energy demand across all customer categories when the price of energy is increased from $85/megawatt hours (MWh) to $300/MWh.[49]

[36] Ibid., p. 68.
[37] CE Final Argument, p. 5
[38] Exhibit B-1, Appendix F, p.1.
[39] Exhibit B-1, p.103.
[40] Ibid.
[41] Ibid., p. 93.
[42] Exhibit B-3, BCUC IR 2.10.
[43] Ibid., BCUC IR 2.18.
[44] Exhibit B-1, p. 97.
[45] Exhibit B-3, BCUC IR 2.17.1.
[46] Ibid., BCUC IR 2.17.
[47] Exhibit B-1, pp. 98-100.
[48] Decision and Order G-283-21, dated September 27, 2021, p.17.
[49] Exhibit B-1, pp. 89-90.

Creative Energy considers the potential for customer disconnections to be a critical aspect of long-term planning but excludes the analysis for customer disconnections from its baseline forecast model as it considers this analysis to be a complex, building-specific effort. Creative Energy acknowledges the significance of understanding the impacts of customer disconnection potential and submits that it will continue in future LTRPs to refine its demand forecast model to understand the potential for customer disconnection.[50]

Creative Energy notes that its Decarbonization Project will significantly alleviate the potential for customer disconnections.[51] However, under a scenario where low carbon energy supply through the Decarbonization Project is not available to allow customers to comply with the new mandated municipal policies and by-laws, customers would be subject to penalty fees of $350 per tonne for GHG emissions over the prescribed limit.[52] Creative Energy plans to mitigate the risk of penalty fees for customers by implementing RNG fuel as an interim low carbon resource for customers.[53]

Positions of the Parties

BCSEA submits that the 2024 LTRP uses an appropriate demand forecast methodology for the unique context of the Core TES and provides an adequate estimate of the Core TES demand in the absence of DSM, as required under section 44.1(2)(a) of the UCA.[54]

The CEC recommends that the BCUC approve Creative Energy's long-term forecast methodology in the 2024 LTRP, subject to other CEC recommendations.[55]

The CEC submits it is satisfied with Creative Energy's analysis of the price elasticity of demand in the 2024 LTRP, but finds the demand forecast model does not account for customer attrition in response to policy, technology, or alternative fuel supply, or disconnection due to Creative Energy's forecast rate trajectory. CEC recommends that the BCUC direct Creative Energy to include in its next LTRP the impact of potential onsite capacity resources and combined price elasticity of thermal energy and electricity on the long-term demand forecast.[56]

RCIA submits that Creative Energy fails to account for the impact of rate increases on customer attrition rates. RCIA recommends that the BCUC not accept a portion of the 2024 LTRP relating to Creative Energy's demand forecast and any facilities that Creative Energy plans to construct and extend until such time that Creative Energy can adequately demonstrate its proposed rate increases are competitive and can be supported by customers over the long-term.[57] RCIA recommends that the BCUC direct Creative Energy to include a demand forecast scenario that models the correlation between rapid rate increases and customer attrition, in its next LTRP.[58]

In reply to RCIA, Creative Energy submits that its current forecast methodology avoids speculative assumptions about customer behaviour given the uncertain and rapidly evolving policy environment of its service area over the 25-year forecast period. [59]

[50] Ibid., p. 92.
[51] Exhibit B-1, p. 92.
[52] Exhibit B-3, BCUC IR 3.1.
[53] Ibid., BCUC IR 5.1.1
[54] BCSEA Final Argument, p. 4.
[55] The CEC Final Argument, p. 15.
[56] Ibid., p. 14.
[57] RCIA Final Argument, p. 10.
[58] Ibid., p .8.
[59] Creative Energy Reply Argument, pp. 9-10.

Panel Determination

The Panel finds Creative Energy's bottom up, conservative methodology to long-term demand forecasting to be adequate and reasonable for the purposes of the 2024 LTRP, given the uncertainties and challenges facing the utility over the planning horizon. The Panel accepts Creative Energy's baseline long-term demand forecast scenario as the likely scenario that provides a reasonable basis for illustrating Creative Energy's conventional, low carbon, and total demand forecast in the 2024 LTRP, and considers it meets the requirements of section 44.1(2)(a) of the UCA. The Panel additionally finds Creative Energy's sensitivity analyses to be reasonable.

However, given the high degree of uncertainty around the utility's future demand, we note that Creative Energy would benefit from using a forecasting approach that reflects a wider range of demand outcomes, reflecting more extreme but plausible demand conditions to capture a higher degree of demand uncertainty over the planning horizon. This approach is also consistent with the 2025 Guidelines[60] and is particularly relevant and useful for the purposes of identifying long-term capital investments, planning resource needs to meet low carbon and conventional demand and mitigating upward rate pressures during an environment of greater uncertainty. While the Panel is satisfied that Creative Energy's demand scenario meets the requirements for this LTRP, **we direct that Creative Energy provide in the next LTRP, in addition to a baseline demand scenario, at least two additional demand scenarios that cover a wider range of possible demand outcomes that would inform how Creative Energy would adapt to a large reduction or a large increase in demand.** The Panel does not wish to prescribe how Creative Energy should construct such demand scenarios, but observes some possible approaches may include:

- Modeling the impact of more and less stringent climate policies;
- Incorporating possible demand growth from new customer connections;
- Analysis of the potential for customer disconnection or shifting to back-up supply from Creative Energy, which may be informed by consultation with individual Core TES customers on the possible drivers and barriers associated with switching to alternative supply;
- Analysis of price elasticity under significantly higher rates and competitive analysis with costs of switching to alternative fuels (e.g. natural gas/ electricity); and
- Assessment of the impact of adverse economic conditions on existing Core TES customers.

3.2 Demand-Side Measures

Creative Energy currently has no active DSM programs.[61] Creative Energy states that DSM has traditionally been used by utilities to respond to rising demand or resource constraints. The Core TES, however, faces declining demand and the need to invest in a transition to low carbon energy sources to meet evolving policy changes.[62]

In this context, Creative Energy states that implementing DSM would hinder its ability to recover fixed costs and lead to an increase in rates for all customers. Therefore, it has determined that the implementation of DSM measures for the Core TES is not appropriate at this time.[63] Creative Energy proposes to re-evaluate this decision once it faces constraints in its supply of low carbon resources, i.e. when the demand of low carbon energy exceeds the capacity of the Decarbonization Project. Creative Energy estimated this would happen after the Decarbonization Project is in-service and a new rate structure has been in place for 18 months.[64]

[60] Final Order G-140-25, dated June 10, 2025, p. 3.
[61] Exhibit B-6, BCSEA IR 3.1.
[62] Exhibit B-1, p. 74.
[63] Ibid., pp. 74-75.
[64] Exhibit B-1, p. 84; Exhibit B-6, BCSEA IR 3.8. and 3.9.

However, to meet regulatory requirements, Creative Energy conducted a comprehensive DSM Opportunity Assessment in October 2023. This assessment identified potential DSM initiatives and calculated their cost-effectiveness using the utility cost test (UCT) as defined in the DSM Regulation,[65] as well as other cost-effectiveness tests, assuming current and future rates. The UCT indicated that some of the DSM initiatives would be cost-effective, both under current and future rates.[66]

Creative Energy states that UCT does not account for scenarios of declining demand, such as the one faced by Creative Energy. Therefore, it developed a modified utility cost test (MUCT) to capture the fixed cost recovery in the face of demand reduction.[67] Creative Energy notes that none of the potential DSM initiatives pass the MUCT either at current or future rates.[68]

Position of the Parties

BCSEA and the CEC accept Creative Energy's rationale and determination not to implement DSM at this time.[69]

BCOAPO considers Creative Energy's rationale to delay the implementation of DSM to be questionable given that some DSM pass the UCT[70] and expresses concern over Creative Energy's proposal to delay the pursuit of DSM activities until after the completion of the Decarbonization Project and the implementation of changes in its rate structure.[71]

RCIA notes that Creative Energy promotes remote net metering as a tool to advance DSM. RCIA submits that the record does not support the initiative is a prudent or necessary investment at this time.[72]

Panel Determination

The Panel is satisfied that the 2024 LTRP has evaluated potential DSM initiatives that could be implemented in the Core TES system, that Creative Energy has reasonably explained why it does not intend to pursue DSM in the near-term, and has therefore addressed sections 44.1(2)(b), (c) and (f) of the UCA.

The Panel acknowledges that Creative Energy faces a decline in demand and the need to transition to a low carbon supply over time, and agrees that the implementation of DSM initiatives at this time is likely to exacerbate the utility's challenges to recover its fixed costs and lead to further rate increases.

In this context, **the Panel finds that the implementation of DSM, currently, is not in the public interest.** However, the Panel recognizes that there may be changing circumstances in the future that impacts the consideration of DSM for Creative Energy, which should be assessed as part of future LTRPs.

The Panel discusses remote metering when addressing the Near-Term Action Plan, in Section 3.5 of the decision.

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[65] The utility cost test (UCT) is calculated with the formula: Present Value of Program Benefits / Present Value of Program Costs. The program benefits include avoided supply costs and the program costs include program administration costs and incentives paid to participants.
[66] Exhibit B-1, p. 77-81.
[67] Exhibit B-1, p. 79.
[68] Ibid., pp. 79-80.
[69] BCSEA Final Argument, pp. 4-5; CEC Final Argument, p. 1.
[70] BCOAPO Final Argument, p. 9.
[71] Ibid., p. 3.
[72] RCIA Final Argument, p. 10.

3.3 Supply-Side Resource Requirements

Creative Energy assessed a range of potential thermal energy resources to meet the future energy needs of its Core TES customers, including low carbon demand requirements. The analysis used an attribute-based planning approach that evaluates resource options against multiple criteria, such as ease of integration with steam and hot water distribution systems, technical feasibility, long-term goals, costs, reliability and environmental impact of each technology. Creative Energy submits the attribute-based planning approach provides flexibility in selecting resources while adapting to changes in customer demand, technology, and policy requirements.[73]

Creative Energy assessed the following thermal energy resources: electric boilers; gas fired boilers using RNG; biomass boilers; low carbon heat pumps (e.g. air-sourced, geo-exchange, and seawater and data center heat recovery); deep geothermal; and energy purchases (i.e. waste heat recovery from buildings in the Core TES service area).[74]

Both electric boilers and gas-fired boilers emerged as the most viable options for steam and hot water distribution systems, while other lower-temperature resources, such as data center heat recovery, seawater heat pumps, and energy purchases showed significant potential with hot water distribution systems. Creative Energy notes that these technologies are less viable for the steam distribution system as the additional energy required to increase the temperature reduces the overall system efficiency and offsets some of the potential benefits.[75]

3.3.1 Resource Portfolio

Creative Energy identified a plausible resource portfolio that could meet the Core TES energy and peak demand forecast by 2026 and 2040, including low carbon demand.[76] The portfolio consists of existing gas boilers, the completion of the Redevelopment Project[77] and Decarbonization Project (i.e. Phase 1)[78] which have been approved by the BCUC, and future electric boilers (i.e. Decarbonization Project Phase 2), as shown in Table 1 below.

Table 1: Resource Portfolio to meet Demand Forecast by 2026 and 2040[79]

Year	Resources	Peak Capacity (MW)	Available Low Carbon Supply (MWh)
2026	- Gas Boilers from Existing Beatty Street plant - Electric Boilers (2 x 7.3 MW) from the Decarbonization project Phase 1	200	100,000
2040	- Gas Boilers from the Redevelopment Project - Electric Boilers (2 x 7.3 MW) from the Decarbonization Project Phase 1 - Electric Boilers (2 x 7.3 MW) from the Decarbonization Project Phase 2	274	~179,000

[73] Exhibit B-1, pp. 105-106, 115, 116.
[74] Exhibit B-1, p. 115.
[75] Ibid.
[76] The City of Vancouver By-Law 13472 sets out requirements for buildings, or part of a building, of certain area, to meet GHG emission limits starting 2026 and, in addition, heat energy limits starting in 2040.
[77] BCUC Order C-1-20; Creative Energy Expo-Beatty Plants Redevelopment Project Order C-1-20 Compliance Filing, Decision and Order G-360-22 dated December 13, 2022.
[78] BCUC Order C-5-22 dated September 15, 2022.
[79] Table prepared by the BCUC based on Exhibit B-3, BCUC IR 5.1.

Creative Energy submits that the implementation of the above identified resources will be staggered, i.e. adding one boiler at a time, and using RNG as a bridging low carbon energy source between permanent investments. Further, Creative Energy notes that it will file a CPCN application with the BCUC prior to procuring a new electric boiler. Creative Energy estimates a Levelized Cost of Energy (LCOE) of $141/MWh for the Decarbonization Project Phase 1 and $118/MWh for the Decarbonization Project Phase 2, assuming the latter is added in 2030. Based on this, the blended LCOE for Phase 1 and 2 of the Decarbonization Project is estimated at $131/MWh.[80] Creative Energy states that the resource portfolio in Table 1 will avoid penalty fees to customers required under the City of Vancouver By-Law, saving customers approximately $4.0 million per year using the blended LCOE rate.[81]

With respect to the risks associated with the implementation of resources identified to meet the demand forecast in 2026 and 2040, Creative Energy states that upon completion, the Decarbonization Project Phase 1 will reduce the risks and level of uncertainties surrounding Phase 2. This is due to Phase 1 establishing the foundation for up to 44 megawatts (MW) of electric boiler capacity and incorporating electric infrastructure that would otherwise demand substantial investment. Assuming completion of the Redevelopment Project and Decarbonization Project Phase 1, Creative Energy identifies the following risks and mitigation measures associated with the addition of electric boilers: a) Potential delays in procurement, mitigated by the ability to use RNG as a bridging fuel; and b) difficulty in obtaining additional load from BC Hydro, mitigated by the executed agreement with BC Hydro in which approximately 31 megavolts ampere (~30 MW) of supply capacity is secured via the Decarbonization Project Phase 1, as noted above.[82]

3.3.2 Steam to Hot Water Conversion Strategy

In addition to the resource portfolio identified in Table 1, Creative Energy's long-term resource pathway includes a modernization strategy to gradually transition its existing steam distribution system to a low temperature hot water (LTHW) system. This transition would enable the use of a wider range of low carbon energy resources and higher overall system efficiency, even for resources suitable for both steam and hot water, which are important for the alignment of the Core TES long-term strategy with municipal policies.[83]

Creative Energy proposes a phased implementation strategy, which consists of building hot water distribution by sections, while maintaining a continuous supply of steam to existing customers during the transition period.[84] The system-wide conversion is estimated to cost $422 million over a 20-year period, of which approximately $180 million corresponds to the costs of modifying the heating systems within existing buildings to ensure compatibility with the new hot water network; and the remaining $242 million relates to converting the present distribution system to a low-temperature hot water distribution system. Creative Energy states that these costs are preliminary and may change substantially prior to beginning its future phase implementation.[85]

Creative Energy acknowledges its proposed hot water conversion strategy requires substantial upfront investments; however, it notes that a system-wide conversion will benefit all Core TES customers through efficiency improvement, reduced water consumption, and greater integration of low carbon energy sources.[86]

Creative Energy submits that the combination of the resource portfolio in Table 1, together with the use of RNG as a bridging supply, and the gradual conversion to hot water distribution will provide sufficient resources to transition to a 100 percent low carbon supply if required in the future.[87]

[80] Exhibit B-3, BCUC IR 5.1.
[81] Ibid., BCUC IR 5.3.
[82] Exhibit B-3, BCUC IR 5.1.1.
[83] Exhibit B-1, pp. 115-116.
[84] Ibid., p. 128.
[85] Ibid., p. 127.
[86] Exhibit B-1, pp. 128-129; Exhibit B-3, BCUC IR 8.3.
[87] Exhibit B-3, BCUC IR 5.2.

Vancouver Convention Centre Node Project

Creative Energy proposes to begin the transition of its distribution system to LTHW with the Vancouver Convention Centre Node (VCC Node) Project. The VCC Node was selected as the first step due to its significant share of the Core TES demand, existing seawater heat recovery infrastructure, and the diverse range of buildings with varying conversion complexities. With the VCC Node Project, Creative Energy expects to establish a proof of concept to demonstrate the technical feasibility and financial viability of its hot water conversion strategy, troubleshoot issues, and create a roadmap for future wider implementations.[88] Creative Energy estimates the total project cost at approximately $80 million, of which $25 million is for building conversions.[89]

Creative Energy submits that if the VCC Node Project does not prove to be viable, the risk to ratepayers is limited to the cost incurred in studies that lead to this determination.[90]

Positions of the Parties

BCSEA supports Creative Energy's approach to the assessment of resource options and considers the two overarching objectives of the 2024 LTRP, i.e. the shift toward more efficient low carbon energy supply and the transition to a hot water distribution system, as appropriate and reasonable.[91] BCSEA does not object to Creative Energy's proposed portfolio that will meet the demand forecast for 2026 and 2040, and supports the use of RNG as an interim measure between permanent investments in low carbon resources. In addition, it supports Creative Energy's intention to advance the VCC Node Project as part of the hot water distribution strategy.[92]

BCOAPO submits that Creative Energy's proposal to gradually transition the Core TES to a hot water distribution system is neither viable nor in the public interest and recommends the BCUC reject this part of the 2024 LTRP, including the VCC Node Project. BCOAPO considers the cost of this conversion to be extremely high compared to the size of Creative Energy's operations. Further, BCOAPO argues that Creative Energy has identified a more affordable resource portfolio to meet the demand forecast by 2026 and 2040 and recommends that the BCUC direct Creative Energy to pursue this resource portfolio.[93]

BCOAPO adds that Creative Energy was unable to provide a comprehensive rate impact associated with the 2024 LTRP.[94] BCOAPO opines that the planned capital investments would raise Creative Energy's rate base by 1200 percent, causing rate increases of a similar magnitude.[95] Accordingly, BCOAPO recommends that Creative Energy be directed to include 10-year directional annual and cumulative rate increase calculations in the next LTRP.[96]

Creative Energy replies that BCOAPO's claims regarding rate base increases are "inaccurate and misleading" as BCOAPO ignores the fact that the full conversion is planned to occur in phases and over a 20+ year period, with each phase and cost-benefit analysis requiring approval by the BCUC. Creative Energy notes that this approach of multiple decision steps will provide ratepayer protection.[97]

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[88] Exhibit B-1, pp. 129, 131; Exhibit B-3, BCUC IR 10.2.
[89] Exhibit B-3, BCUC IR 10.3.
[90] Exhibit B-3, BCUC IR 10.2.1.
[91] BCSEA Final Argument, pp. 3, 6.
[92] Ibid., p. 7.
[93] BCOAPO Final Argument, pp. 7-10.
[94] Ibid., p. 10.
[95] Ibid., pp. 6, 10-11.
[96] Ibid., p. 4.
[97] Creative Energy Reply Argument, pp. 7-8.

The CEC submits that the addition of more electric boilers is not the appropriate long-term path and should be rejected by the BCUC.[98] The CEC considers the full conversion to hot water risky, particularly for steam-dependent customers, and recommends the BCUC direct Creative Energy to consider hybrid approaches to its full conversion. The CEC further recommends that the BCUC require Creative Energy to revisit and reconsider the selection of the VCC Node Project as proof-of-concept for the hot water conversion prior to spending on related studies as it considers the project to be oversized for the scale of Creative Energy's operation and annual revenue requirements.[99] The CEC submits that the rate increases associated with hot water conversion are excessive.[100]

In reply to the CEC, Creative Energy argues the VCC Node Project was specifically selected to encompass a good mix of conversion complexities that will allow for informed decision-making on the hot water conversion pathway, while protecting the operational requirements of steam-dependent customers.[101]

RCIA submits that the planned capital investments of Creative Energy's proposed 2024 LTRP, including additional electric boilers, pose a risk of stranded assets given the forecast decline in demand. RCIA claims that Creative Energy did not quantify the expected rate impact of its proposed long-term pathway; therefore, the BCUC should reject the facilities that Creative Energy intends to construct or extend until such time that Creative Energy can demonstrate the resulting rates from its 2024 LTRP are competitive enough to maintain customer demand.[102]

Creative Energy replies that RCIA's request misunderstands the adaptive planning approach of its 2024 LTRP. This approach makes any quantification of resulting rates over 20+ years inaccurate and would provide false certainty in a dynamic environment.[103]

On April 4, 2025, BC Pavillion Corporation (PavCo), owner and operator of the Vancouver Convention Center, filed a letter of comment indicating that it has not entered into any contractual arrangement with Creative Energy with respect to the VCC Node Project and that a formal agreement would need to be negotiated if VCC property, equipment or service is involved.[104]

Panel Determination

The Panel finds Creative Energy's attribute-based planning approach used to assess the viability of thermal energy resources to be reasonable. In turn, the Panel supports Creative Energy's proposed resource portfolio identified to meet its conventional and low carbon demand forecast by 2026 and 2040, which involves the use of existing and new gas boilers, electric boilers, and RNG as a bridging low carbon resource. Therefore, the Panel considers the 2024 LTRP meets the requirements of sections 44.1(2)(d) and (e) of the UCA.

The Panel considers this resource pathway to be sufficient to provide the low carbon load required by certain customers to comply with the City of Vancouver By-Law and aligns with the projects that Creative Energy is currently pursuing, i.e. the Decarbonization and Redevelopment Projects. The Panel notes the 2026 and 2040 resource portfolios and analysis have provided valuable context in this proceeding and align with Section 4.0 of the 2025 Guidelines. **Accordingly, the Panel directs Creative Energy to provide, in its next LTRP, portfolios designed to meet the demand scenarios identified in the LTRP.** The Panel expects this to be a relatively simple,

[98] CEC Final Argument, p. 23.
[99] Ibid., pp. 19-20.
[100] Ibid., pp. 5, 17.
[101] Creative Energy Reply Argument, p. 10.
[102] RCIA Final Argument, pp. 8-10.
[103] Creative Energy Reply Argument, pp. 12.
[104] Exhibit D-1.

indicative exercise rather than a comprehensive one. The Panel is of the view that the review of this Application would have been more efficient had Creative Energy presented resource portfolio(s) upfront.

The Panel finds the conversion of the Core TES distribution system to hot water as currently presented to be very costly, with possibly significant increase in rates to recover the project costs. The Panel acknowledges that Creative Energy conducted a detailed analysis of the potential thermal resources utilizing the attribute-based planning approach and the potential need to gradually convert its steam distribution system to hot water, including the selection of the VCC Node Project as a proof-of-concept for the transition. However, the analysis and current information lead to the conclusion that while technically viable, the hot water conversion strategy and the VCC Node Project represent a costly low carbon energy resource pathway for Creative Energy and its customers. Furthermore, the portfolio analysis for 2040 indicates that Creative Energy can meet low carbon demand under the City of Vancouver By-Law without the integration of low-temperature heat resources which necessitate a hot water distribution system. The Panel also notes that there is insufficient information to demonstrate the extent to which the potential benefits of hot-water conversion would offset the upfront costs. For example, the lower future operating and fuel costs, and lower carbon emissions were not sufficiently defined for Creative Energy and its customers.

Additionally, the Panel notes that a formal agreement with the VCC owner (i.e. PavCo) has not been reached, highlighting the uncertainties surrounding the viability of the VCC Node Project, in addition to its high implementation cost. Accordingly, the Panel recommends that Creative Energy not further pursue the steam-to-hot-water conversion at this time, including the VCC Node Project. Nonetheless, the Panel recognizes that circumstances may change in the future which could potentially warrant further exploration of the viability of a full hot water conversion, for instance: more stringent decarbonization policies, significant cost shifts, or challenges with implementing other planned resources.

The Panel reminds Creative Energy that it will need to file separate applications with the BCUC, such as grants of CPCNs or acceptance of expenditure schedules, for approval of capital projects or expenditures. This would be the case if Creative Energy decides to advance the VCC Node Project or another capital investment, or seeks to recover significant costs for studies regarding steam-to-hot-water conversion and associated low carbon resources. For clarity, this also applies to any pilot project that Creative Energy would like to advance for the hot water conversion apart from the VCC Node Project.

The Panel encourages Creative Energy to continue monitoring international developments in district energy, particularly the implementation of hot water conversions in other jurisdictions, including its achievement at lower costs to both the utility and its customers.

The Panel is satisfied with the resource cost-related information that Creative Energy provided during the proceeding, which included estimated unit costs associated with different resource options and estimated costs of hot water conversion. The Panel is not convinced by interveners' submissions that Creative Energy failed to provide a holistic impact of its 2024 LTRP, or that a more detailed rate impact should be part of an LTRP. The Panel acknowledges the inherent difficulty of forecasting 15 to 20 years into the future, especially given the current market, regulatory, and policy uncertainties, which make any determination of the estimated aggregate rate impact of resources impractical and inaccurate. Therefore, the Panel considers that establishing a holistic rate impact of an LTRP is not warranted in Creative Energy's circumstances.

Further, the Panel is of the view that the rate impact of major investments should be or is typically assessed through other regulatory processes such as revenue requirements, expenditure schedules, or CPCN applications. Though the Panel recognizes that some interveners believe these other processes are insufficient to assess the aggregate rate impact of long-term investments, including existing actual planned investments, the Panel does not agree that the LTRP process is the appropriate avenue to present this information.

3.4 Consultation

Creative Energy states that it implemented a multi-phase consultation strategy to gather stakeholder input and then used this input to shape its approach to resource planning.[105] The consultation process consisted of three main components:

- A draft LTRP workshop in September 2023 in which Creative Energy presented information on its current operations and future plans, such as the existing Core Steam System, regulatory framework, utility objectives, policy landscape, load forecasts, and potential system upgrades. Attendees included customers, government bodies, industry organizations, and technical experts; [106]
- A consultation that combined Creative Energy's Low Carbon Rate Design and the LTRP, from May 23 to July 29, 2024. The activities were combined to improve efficiency and minimize consultation fatigue. This phase included: five virtual one-on-one workshops with key stakeholders; two virtual open houses for customers; one virtual public open house, and an online survey;[107] and
- BCUC engagement: BCUC directives from the 2021 LTRP required Creative Energy to present regular status reports and updates on the utility's planning process progress and key consultation activities. In addition to the BCUC staff participation in Creative Energy's 2023 draft LTRP workshop, Creative Energy met with BCUC staff in October 2024 to discuss specific aspects of its approach to resource planning. [108]

Panel Determination

The Panel finds that Creative Energy's consultation for the 2024 LTRP was reasonable, given the size of the utility and its activities. The Panel observes that the 2024 LTRP consultation activities demonstrate a significant improvement in comparison to the previous LTRP and that Creative Energy has taken into consideration BCUC directives made in the 2021 LTRP decision.

3.5 Near-Term Action Plan

Creative Energy outlines a near-term action plan to advance the 2024 LTRP over the next three to five years, while maintaining flexibility to adapt to evolving policy and market conditions, consisting of five key areas described further below.

As part of the rate structure modernization, Creative Energy intends to file a comprehensive rate design application and an interim opt-in low greenhouse gas intensity RNG fuel rate application.[109]

Creative Energy also plans to file an application with the BCUC to obtain approval for the implementation of remote metering or advanced metering infrastructure, which it states will improve operational capabilities and customer service.[110]

To secure the external funding and the policy alignment required to decarbonize the Core TES, Creative Energy intends to expand its stakeholder engagement activities with different levels of government, utilities, and building owners and operators.[111]

[105] Exhibit B-1, p. 64.
[106] Ibid.
[107] Exhibit B-1, p. 64.
[108] Ibid., pp. 64, 66.
[109] Ibid., p. 134.
[110] Ibid., pp. 135, 137.
[111] Ibid., p. 135.

Creative Energy plans to use RNG supply contracts with FortisBC Energy as a bridging option to meet any need of low carbon supply; and has confirmed the availability of adequate supply until 2030. This provides Creative Energy the flexibility to adapt to changing market conditions and customer demand for low carbon energy in the short term.[112]

Finally, Creative Energy states it will implement an annual long-term planning reporting framework integrated within its revenue requirements applications (RRA) to ensure transparency and maintain alignment with evolving system needs. These status updates will include a rolling five-year low carbon load forecast and recommendations for any necessary adjustments to the resource plan outlined in the most recent LTRP. In addition, it will include an "emerging opportunities" section which will highlight promising new resources, technologies, or opportunities that it believes warrant consideration before the next LTRP. [113]

Position of the Parties

BCSEA supports all components of Creative Energy's near-term action plan.[114]

BCOAPO recommends the BCUC accept Creative Energy's proposal to provide updates to its 2024 LTRP as part of its annual RRAs.[115]

RCIA submits that the BCUC should state that the LTRP decision does not constitute explicit or implied approval of the need for the remote metering project and that such approval would require a further process that includes evidence, including a cost-benefit analysis and quantifiable metrics, comparative alternatives, or real-world examples.[116]

Creative Energy, in reply to RCIA, submits it has explicitly stated that remote metering will be the subject of separate application requirements; and that the purpose of LTRPs is to identify strategic initiatives at a planning level while detailed project analysis occurs in dedicated approval proceedings under CPCN or section 44.2 processes.[117]

Panel Determination

The Panel notes that LTRP near-term action plans usually focus on the steps to prepare for or acquire resources in the near-term, and that the present Panel discussions and determinations should be interpreted in this light. This Panel is neither making determinations on nor providing direct or indirect support to specific approvals Creative Energy may seek in future applications regarding rate design or remote metering. Decisions on these matters would be the subject of separate proceedings.

The Panel generally supports Creative Energy's flexible approach to its action plan with respect to the acquisition of new resources, which will allow the utility to respond to changing circumstances. Further, **the Panel finds Creative Energy's consideration of contracted RNG as a bridging strategy to be a reasonable option in the near term to address potential needs of low carbon supply.**

[112] Exhibit B-3, BCUC IR 12.1; BCUC IR 12.3.
[113] Exhibit B-1, p. 138.
[114] BCSEA Final Argument, pp. 2, 7, 8.
[115] BCOAPO Final Argument, p. 4.
[116] RCIA Final Argument, pp. 10-11.
[117] Creative Energy Reply Argument, p. 7.

During the course of the proceeding, Creative Energy filed a separate application seeking acceptance of an expenditure schedule related to the Decarbonization Project,[118] which the BCUC determined would not be in the public interest.[119] Consequently, the in-service date of the Decarbonization Project is uncertain at this time. We note this as an example of the value of incorporating flexible action plans and contingency plans when developing an LTRP.

Finally, the Panel does not believe it is necessary for Creative Energy to implement an annual long-term planning reporting framework integrated with RRAs. LTRPs and RRAs have distinct purposes as established by legislation, and it is not clear to the Panel how any information on annual long-term planning that Creative Energy would file in an RRA would assist the BCUC's determinations on rate-setting in an RRA. Accordingly, the Panel notes there is a risk of unnecessarily expanding the scope of RRA proceedings.

3.6 Compliance with 2021 LTRP Directives

Creative Energy identifies the manner in which it has addressed each of the directives in Decision and Order G-283-21, regarding Creative Energy's 2021 LTRP, and how it has complied with reporting requirements.[120]

Position of the Parties

BCOAPO notes that Creative Energy has made significant efforts and improvement since the filing of its 2021 LTRP and considers it has generally complied with the directives from Decision and Order G-283-21.[121]

Panel Determination

The Panel is satisfied that Creative Energy has filed information to comply with the BCUC's directives set out in the decision on the 2021 LTRP, and subject to other comments outlined earlier in the decision, has adhered to the BCUC's Guidelines, where relevant and appropriate.

In particular, the Panel observes that Creative Energy has addressed the BCUC's directives from Decision and Order G-283-21 regarding the LTRP objectives, load forecast, DSM, resource options, and reporting requirements until the filing of the next LTRP. In addition, it has provided information on the future of its NEFC service.

3.7 Overall Findings on Section 44.1(2) Requirements

The Panel finds that Creative Energy has addressed each of the filing requirements for a long-term resource plan, as outlined in section 44.1(2) of the UCA. Generally, we note that Creative Energy's methodology and analysis underpinning the 2024 LTRP are reasonable. We encourage Creative Energy to further enhance its next LTRP in line with the Panel's comments throughout section 3 of this Decision.

[118] The Decarbonization Project includes the construction of a building to house the boilers. The construction of that building was responsibility of a Developer, who in early 2024 informed Creative Energy that it was facing financial challenges to finalize the construction. In the New Plant Premises and Interconnection Infrastructure Capital Expenditures proceeding, Creative Energy requested a capital expenditure schedule to finance the Developer's work and avoid a delay in the Decarbonization Project in-service date.
[119] Order G-94-25
[120] Exhibit B-1, pp. 27-28; Exhibit B-3, BCUC IR 1.1.1.
[121] BCOAPO Final Argument, pp. 2-3.

4.0 Does Consideration of Section 44.1(8) of the UCA Support Acceptance of the 2024 LTRP?

Section 44.1(8) of the UCA provides that the BCUC must consider the following criteria when assessing the acceptance of an LTRP:

(a) The applicable of British Columbia's energy objectives;

(b) The extent to which the plan is consistent with the applicable requirements under sections 6 and 19 of the CEA;

(c) Whether the plan shows that the public utility intends to pursue adequate, cost-effective demand-side measures; and

(d) The interests of persons in British Columbia who receive or may receive service from the public utility.

As previously mentioned in Section 1.3 of this decision, section 44.1(8)(b) of the UCA and the DSM adequacy requirements identified in section 44.1.(8)(c) of the UCA are not applicable to this 2024 LTRP. Further information regarding DSM is included in Section 3.2 of this decision.

BC's energy objectives are outlined in section 2 of the CEA. Creative Energy identifies the following objectives as being directly applicable to the 2024 LTRP:[122]

b) to take demand-side measures and to conserve energy, including the objective of the authority reducing its expected increase in demand for electricity by the year 2020 by at least 66 percent;

d) to use and foster the development in British Columbia of innovative technologies that support energy conservation and efficiency and the use of clean or renewable resources;

g) to reduce BC greenhouse gas emissions;

h) to encourage the switching from one kind of energy source or use to another that decreases greenhouse gas emissions in British Columbia;

i) to encourage communities to reduce greenhouse gas emissions and use energy efficiently;

j) to reduce waste by encouraging the use of waste heat, biogas and biomass;

k) to encourage economic development and the creation and retention of jobs; and

o) to achieve British Columbia's energy objectives without the use of nuclear power.

Creative Energy notes that the 2024 LTRP addresses the energy objectives by prioritizing options that promote GHG emission reductions and by selecting an approach to DSM that is appropriate for the circumstances of the Core TES. Regarding objective k), Creative Energy states that while not directly addressed in the LTRP, the utility's continued investment in district energy infrastructure supports local economic development and employment.[123]

With respect to the interest of current or potential customers of Creative Energy in BC, the utility submits that in many cases, the Core TES can enable more efficient and cost-effective decarbonization solutions, particularly for customers or potential customers in large older buildings in their service area.[124] In addition, Creative Energy states that the LTRP serves the broader public interest in climate action, and provides strategic guidance to address customer and potential customer demand for low carbon service.[125]

[122] Exhibit B-1, pp. 24-25.
[123] Ibid.
[124] Exhibit B-6, BCSEA IR 1.1.
[125] Creative Energy Reply Argument, p. 15.

Position of the Parties

BCSEA submits that acceptance of the 2024 LTRP is supported by consideration of the BC's energy objectives, the adequacy of the proposed DSM, and the interests of customers and potential customers.

Panel Determination

The Panel agrees with Creative Energy's identification and assessment of the applicable energy objectives and finds the 2024 LTRP consistent with the applicable energy objectives. The Panel considers that the 2024 LTRP evaluated a diversity of energy resources and the evaluation prioritized the reduction of GHG in the province of BC. The Panel also agrees that the 2024 LTRP investments support local economic development and continued employment.

The Panel observes that sections 6 and 19 of the CEA are not applicable to this 2024 LTRP. Therefore, no determination on section 44.1(8)(b) of the UCA is required.

With respect to the consideration of adequate and cost-effective DSM, the Panel notes that Creative Energy is not subject to the adequacy requirements of the DSM Regulation. In addition, as noted in Section 3.2, Creative Energy is not planning to implement DSM at this time, which the Panel has found to be reasonable. Therefore, no further determination on cost-effectiveness is necessary.

The Panel finds that the 2024 LTRP addresses the interest of persons in BC who receive or may receive service from the utility. The Panel accepts that the 2024 LTRP outlines the potential for the integration of low carbon resources for current and potential customers, including the requirements for certain customers to comply with the City of Vancouver By-law.

5.0 Is the 2024 LTRP in the Public Interest?

Creative Energy states its 2024 LTRP outlines a strategy over a 25-year planning horizon which defines a framework for decarbonizing the Core TES that enables compliance with increasingly stringent municipal emission limits, while supporting Provincial decarbonization goals and maintaining competitive service options for customers. The 2024 LTRP serves broader public interest in climate action while the flexible resource strategy adapts to changing conditions and its proposed annual reporting ensures ongoing accountability.[126]

Creative Energy submits that a rejection of the 2024 LTRP would leave the utility without a pathway to implement coordinated low carbon solutions during a critical transition period, in which the City of Vancouver emission limits will take effect regardless of an LTRP approval status, creating immediate compliance pressures without strategic guidance, and while customer demand for low carbon service continues to grow independent of regulatory approval.[127]

Creative Energy further clarifies that, even with the acceptance of the LTRP, no major expenditures would proceed without separate CPCN or similar regulatory approval processes, with each project requiring business case justification with full cost-benefit analysis at implementation stages. It adds that the attribute-based planning methodology enables adaptation to changing circumstances while maintaining strategic coherence, while the RNG bridging strategy provides immediate options while permanent solutions develop.[128]

[126] Exhibit B-1, p. ii; Creative Energy Reply Argument, p. 15.
[127] Creative Energy Reply Argument, pp. 15-16.
[128] Ibid., p. 16.

Position of the Parties

BCSEA considers that the Creative Energy 2024 LTRP is in the public interest and should be accepted because it adequately complies with regulatory requirements.[129] BCSEA believes that the Core TES can enable more efficient and cost-effective decarbonization solutions than can be obtained through individual building solutions, particularly for large older buildings.[130]

BCOAPO notes that the Application presents significant effort and improvement compared to the 2021 LTRP;[131] and considers it has complied with regulatory requirements.[132] BCOAPO does not oppose Creative Energy's 2024 LTRP, but recommends the BCUC reject it partially, specifically Creative Energy's preferred resource pathway. As noted earlier in Section 3.3 of this decision, BCOAPO is concerned about the affordability of the transition to hot water distribution.[133] In addition, BCOAPO is concerned about the delay in the pursuit of DSM activities until after the completion of the Decarbonization Project and the implementation of changes in its rate structure.[134]

In reply, Creative Energy notes it had explicitly stated that "a full hot water conversion is cost prohibitive" and that it had pivoted to an incremental and flexible approach. It adds that increases in rate base due to hot water infrastructure investment would have significant benefit to ratepayers; and that a project would only advance if it received approval from the BCUC through a separate and specific regulatory proceeding, ensuring that the interests of ratepayers remain a priority and are appropriately considered.[135]

RCIA recommends rejecting the 2024 LTRP. RCIA submits that the current LTRP or future LTRPs should only be accepted if the plan demonstrates economic viability; and considers the current LTRP's proposed investments have not been demonstrated to be viable, affordable or in the public interest.[136] RCIA is concerned that residential customers would face a disproportionate exposure to rising costs.[137] Further, RCIA submits that the BCUC should not accept the LTRP demand forecast and the sections dealing with facilities that Creative Energy intends to construct or extend; and the BCUC should request Creative Energy to resubmit these parts of the LTRP within the next 3 months, pursuant to sections 44.1(6) and (7) of the UCA.[138]

The CEC submits the Application should be rejected as it is not sufficiently accurate to form an LTRP or be in the public interest. The CEC considers the Application has been superseded by current events including, among other things, recent BCUC Order G-94-25 that denied Creative Energy an expenditure schedule to advance the Decarbonization Project. The CEC also recommends the BCUC strictly constrain the use of this LTRP to support future expenditures.[139]

Creative Energy replies that the Application has demonstrated compliance with requirements under section 44.1(2) of the UCA and that intervener disagreement with certain strategic approaches taken by Creative Energy does not negate this compliance.[140]

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[129] BCSEA Final Argument, pp. 1, 2, 9.
[130] Ibid., p. 2.
[131] BCOAPO Final Argument, p. 2.
[132] Ibid., p. 3.
[133] BCOAPO Final Argument, pp. 3, 4.
[134] Ibid.
[135] Creative Energy Final Argument, p. 8.
[136] RCIA Final Argument, pp. 12-13.
[137] Ibid., pp. 6, 13.
[138] Ibid., p. 10.
[139] CEC Final Argument, pp. 1, 4, 23.
[140] Creative Energy Reply Argument, p. 5.

In reply to the CEC and RCIA, Creative Energy states that these parties misunderstand the appropriate scope of the LTRP review by conflating strategic long-term planning with project-specific approval processes, which under the UCA belong to separate regulatory proceedings. It adds that the Guidelines explicitly contemplate this staged approach where LTRPs establish strategic direction, and subsequent proceedings address detailed project justification.[141]

Creative Energy adds that the BCUC's determination to continue the 2024 LTRP proceeding after issuing Order G-94-25 (in relation to the New Plant Premises and Interconnection Capital Expenditure) demonstrates the BCUC's recognition that the LTRP acceptance and specific capital expenditure approvals are separate regulatory determinations with different criteria that can proceed independently.[142]

Panel Determination

The Panel has considered the factors set out in section 44.1(8) of the UCA along with the entirety of the evidence and submissions in this proceeding. On balance, **we find carrying out the 2024 LTRP to be in the public interest, and we accept the 2024 LTRP.**

The Panel determines that Creative Energy's 2024 LTRP has met the filing requirements set out in section 44.1 (2) of the UCA and addressed the Directives in Decision and Order G-283-21 relating to the 2021 LTRP. The Panel observes the 2024 LTRP represents a significant improvement over the 2021 LTRP. The 2024 plan defines clear objectives, incorporates comprehensive methodological improvements that appear to be tailored to the utility's characteristics and circumstances, and incorporates feedback from stakeholder engagement. In particular, the Panel highlights the importance of Creative Energy's approaches that allow for adaptative changes in a period of transition.

As addressed in other sections of this Decision, the Panel observes that Creative Energy appears to have identified sufficient feasible resources to meet its demand in 2040, based on currently known provincial and municipal policies. Based on this information, and as previously mentioned, the Panel does not recommend Creative Energy invest further resources to advance the steam-to-hot water conversion as it is not required to address the Core TES demand. While the Panel acknowledges the uncertainty associated with the completion of the Decarbonization Project has evolved over the course of the proceeding, Creative Energy has reasonably identified contracted RNG supply as a potential bridging solution to meet low carbon demand. Accordingly, the uncertain status of the Decarbonization Project is not a compelling reason to consider rejecting the plan.

In addition, the Panel agrees with Creative Energy that no major expenditure can proceed without separate CPCN or similar regulatory approval processes and expects the utility to make such filings in a timely fashion.

Finally, the Panel observes that there were some recommendations in interveners' arguments that the Panel found to be either overly prescriptive or related to operational details of the utility. The Panel does not address these recommendations, as this LTRP review is intended to be strategic and directional.

6.0 The Next LTRP Filing

Creative Energy proposes to file its next long-term resource plan on or before the earlier of:[143]

(i) 36 months from the acceptance of the 2024 LTRP; and

[141] Ibid., p. 7.
[142] Ibid., pp. 5, 7.
[143] Creative Energy Final Argument, p. 4.

(ii) 24 months after the Core Steam System Decarbonization Project is in-service.

During the proceeding, the proposal was modified to take into consideration a separate BCUC decision, Order G-94-25, that introduced uncertainty in the Decarbonization Project in-service date.[144]

Position of the Parties

BCSEA and BCOAPO support Creative Energy's proposal on when to file its next LTRP.[145]

RCIA proposes the next LTRP be filed 3 years from the current filing or 12 months after commissioning of Phase 1 of the Decarbonization Project and/or the New Beatty Plant.[146]

The CEC submits the BCUC should request Creative Energy to produce another LTRP in short order, as the BCUC did with FEI and BC Hydro.[147]

Panel Determination

The Panel accepts Creative Energy's proposal on when to file the next LTRP and directs Creative Energy to file its next LTRP on or before the date that is the earlier of the following:

(i) 36 months from the date of the order which this decision accompanies; and

(ii) 24 months after the Core Steam System Decarbonization Project is in-service.

[144] Ibid., p. 9.
[145] BCSEA Final Argument, p. 2; BCOAPO Final Argument, p. 4.
[146] RCIA Final Argument, p. 12.
[147] CEC Final Argument, pp. 1, 23.

The Panel considers that this timing for filing reasonably balances the need for regulatory review of resource planning for a utility facing potentially significant changes in its demand and future resource requirements, with the flexibility required in the current market environment.

DATED at the City of Vancouver, in the Province of British Columbia, this 19th day of August 2025.

Electronically signed by Mark Jaccard

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M. Jaccard
Panel Chair/Commissioner

Electronically signed by Ana Dennier

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A.C. Dennier
Commissioner

Electronically signed by Bernard Magnan

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B. A. Magnan
Commissioner

Creative Energy Vancouver Platforms Inc.
2024 Long-Term Resource Plan

LIST OF ACRONYMS

Acronym	Description
Application	Creative Energy's application to the BCUC for acceptance of its 2024 Long-Term Resource Plan
BCOAPO	British Columbia Old Age Pensioners' Organization et al.
BCSEA	British Columbia Sustainable Energy Association
BCUC	British Columbia Utilities Commission
Beatty Plant	Steam production plant located at 720 Beatty Street and its associated steam distribution network
Butterfly	Butterfly hot water network
CEA	*Clean Energy Act*
CEC	The Commercial Energy Consumers Association of British Columbia
City of Vancouver By-Law	Annual Greenhouse Gas and Energy Limits By-law No. 13472
Core Steam Distribution Network	The steam distribution network associated with the Beatty Plant
Core TES	Creative Energy's core thermal energy system
CPCN	Certificate of Public Convenience and Necessity
Creative Energy	Creative Energy Vancouver Platforms Inc.
Decarbonization Project	Creative Energy's plan to provide low carbon thermal energy to new and existing customers
DSM	Demand-side measures
GHG	Greenhouse gas
Guidelines	BCUC Resource Planning Guidelines
IR	Information request
LCOE	Levelized cost of energy
LTHW	Low temperature hot water
LTRP	Long-term resource plan
MWt	Megawatts thermal
NEFC	Northeast False Creek hot water network

PavCo	BC Pavillion Corporation
RCIA	Residential Consumer Intervener Association
Redevelopment Project	Creative Energy's plan to modernize its main production facility
RNG	Renewable natural gas
RRA	Revenue requirements application
UCA	*Utilities Commission Act*
UCT	Utility cost test
VCC Node Project	Vancouver Convention Centre Node Project

Creative Energy Vancouver Platforms Inc.
2024 Long-Term Resource Plan

EXHIBIT LIST

Exhibit No.	Description
COMMISSION DOCUMENTS	
A-1	December 9, 2024 – Panel Appointment
A-2	January 10, 2025 – BCUC Order G-2-25 establishing a regulatory timetable
A-3	February 11, 2025 – BCUC providing guidance to interveners
A-4	February 14, 2025 – BCUC Information Request No. 1 to Creative Energy
A-5	April 8, 2025 - BCUC Order G-93-25 establishing a further regulatory timetable
A-6	May 14, 2025 - BCUC Order G-121-25 establishing an amended regulatory timetable
APPLICANT DOCUMENTS	
B-1	November 25, 2024 - **CREATIVE ENERGY VANCOUVER PLATFORMS INC. (CREATIVE ENERGY)** – 2024 Long Term Resource Plan
B-2	January 20, 2025 – Creative Energy submitting Public Notice confirmation in compliance with Order G-2-25
B-3	March 7, 2025 – Creative Energy submitting response to BCUC Information Request No. 1
B-4	March 7, 2025 – Creative Energy submitting response to RCIA Information Request No. 1
B-5	March 7, 2025 – Creative Energy submitting response to BCOAPO Information Request No. 1
B-6	March 7, 2025 – Creative Energy submitting response to BCSEA Information Request No. 1
B-7	March 7, 2025 – Creative Energy submitting response to CEC Information Request No. 1
B-8	April 11, 2025 – Creative Energy acknowledgement of PavCo Letter of Comment
B-9	May 13, 2025 – Creative Energy submitting response to BCOAPO extension request

INTERVENER DOCUMENTS

C1-1	January 24, 2025 – **RESIDENTIAL CONSUMER INTERVENER ASSOCIATION (RCIA) –** Request to intervene by Abdulrahman Abomazid
C1-2	February 21, 2025 – RCIA submitting Information Request No. 1 to Creative Energy
C2-1	January 30, 2025 – **COMMERCIAL ENERGY CONSUMERS ASSOCIATION OF BRITISH COLUMBIA (CEC)** – Request to intervene by David Craig
C2-2	February 21, 2025 – CEC submitting Information Request No. 1 to Creative Energy
C3-1	January 31, 2025 – **BC SUSTAINABLE ENERGY ASSOCIATION (BCSEA)** – Request to intervene by Thomas Hackney
C3-2	February 21, 2025 – BCSEA submitting Information Request No. 1 to Creative Energy
C4-1	January 31, 2025 – **BRITISH COLUMBIA OLD AGE PENSIONERS' ORGANIZATION, ACTIVE SUPPORT AGAINST POVERTY, DISABILITY ALLIANCE BC, COUNCIL OF SENIOR CITIZENS' ORGANIZATIONS OF BC, TENANTS RESOURCE AND ADVISORY CENTRE (BCOAPO**) – Request to intervene by Leigh Worth
C4-2	February 21, 2025 – BCOAPO submitting Information Request No. 1 to Creative Energy
C4-3	May 13, 2025 – BCOAPO submitting extension request for filing final argument

LETTERS OF COMMENT

D-1	April 4, 2025 – **B.C. PAVILION CORPORATION (PAVCO) –** Letter of Comment